

	Subject: HARTFORD HOSPITAL POLICY ON: Sponsored Research Cost Transfers	
Policy Level: Policy Number:	Original Date: October 1, 2013 Revision Date(s)	Approved By:  <hr/> Lenworth Jacobs, M.D. VP, Academic Affairs & Chief Academic Officer

Purpose:

To ensure cost transfers are made and documented in accordance with sponsor, regulatory, and institutional requirements.

Scope:

This policy applies to cost transfer transactions relating to sponsored research projects administered at Hartford Hospital (HH).

Policy:

Costs charged to research projects must be allowable, allocable, reasonable and timely in accordance with sponsor terms and conditions, federal and state regulations and HH policies. All cost transfers must meet these standards and be consistent with the approved project budgets. Requests for cost transfers must be supported by documentation that explains the initial project charge and a correlation of the charge to the project to which the transfer is being made.

Allowable Cost Transfers:

1. Transfer of pre-award costs
 Pre-award costs that have been authorized by the sponsor.
2. Errors/Corrections
 All cost transfers to correct clerical/accounting errors. Such transfers must be documented with an explanation of how the error occurred. An explanation stating that the transfer was made "to correct error" or "to transfer to correct project" is not sufficient.
3. Closely related projects
 When work supported by one sponsored project represents work closely related to that of another sponsored project, a cost transfer

from one of the accounts to the other may be made only with prior written approval from the sponsor receiving the charge. For National Institutes of Health (NIH) studies, the NIH must pre-approve the "closely related project" designation.

Cost Transfer Guiding Principles:

- The integrity of each grant account must be maintained.
- Research project funds are not interchangeable and Cost transfers should not be used as a means of managing award funding.
- Costs allocable to several research projects must not be charged solely to a single project and subsequently reallocated.

Responsibilities:

Investigator

1. Goods and services should be charged or allocated among awards at the time of the original transaction whenever possible and practical, to avoid unnecessary cost transfers.
2. The Investigator is expected to make personnel and corresponding payroll distribution determinations before any individual devotes effort to a research project.
3. Justification for allowable, allocable and reasonable cost transfers is the responsibility of the Investigator.

Research Institute - Grants and Contracts

1. Reviews the documentation and justification of cost transfers to ensure sponsor and institutional requirements are met.
2. Approves, signs and forwards documentation to Corporate Accounting for processing.

Procedures:

1. The Investigator must request all cost transfers, including salary and wages, within 90 days of the original transaction date. The sponsor's (federal or non-federal) terms and conditions will apply in cases which are stricter than this policy. Cost transfer requests over the 90-day limit will only be considered under extenuating circumstances.
2. The *HH Research Institute Cost Transfer Request Form* must be completed to request, justify and approve a cost transfer.
3. Cost transfer requests between different cost centers require approval from all applicable authorized signers prior to processing.

4. Cost transfer requests must be forwarded to Grants and Contracts for review and approval prior to processing by Corporate Accounting.
5. Transfer requests by non-HH employees and requests greater than \$1,000 require additional approval by the Vice President, Research.
6. Requests of \$25,000 or greater also require approvals in accordance with Finance's Funds, Establishment, Maintenance and Disbursements Policy.
7. Cost Transfers that affect salary and wage expenses may require the recertification of Time and Effort (T&E) Reports in accordance with the Time and Effort Reporting Policy.
8. A decision by Grants and Contracts to deny cost transfers, including denials of requests exceeding the 90 day limit, may be appealed to the VP, Research.
9. Grants and Contracts will forward all supporting cost transfer documentation to Corporate Accounting for processing.
10. Upon receipt, Corporate Accounting will process transfer request within ten business days.

Definitions:

Allowable - Costs allowable under the terms and conditions of the award, including the authorized budget and applicable regulations.

Allocable - Costs that benefit the award charged; costs shared by more than one project should be allocated in proportions that can be approximated through actual use.

Cost Transfer – The transfer of a recorded expense to a cost center after the expense was initially charged to another cost center within the institution's accounting system. Cost transfers include allowable, allocable and reasonable expenses (e.g., salary and non-salary costs such as supplies and travel expenses).

Investigator - the project director or principal investigator and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research.

Reasonable - The nature of the goods or services acquired and amount paid reflect the action that a prudent person would have taken at the time the decision to incur the cost was made.

Sponsor – An entity, such as a pharmaceutical or device company, private organization, academic institution, or government agency that initiates, manages, or finances a research project conducted at HH.

Attachments:

- A. HH Research Institute Cost Transfer Request Form

Related Policies:

Research Account Management Policy

Research Residual Accounts Policy

Time and Effort Reporting Policy

Finance - Funds, Establishment, Maintenance and Disbursements Policy

Hartford Hospital Research Institute Cost Transfer Request Form

REMINDER: Cost Transfers must be received by Grants and Contracts within 90 days of the original transaction date.

SALARY COST TRANSFER - SECTION 1							
Employee Last, First Name (print):					Employee #:		
Do NOT include Fringe Benefit or F&A Costs (Indirect Costs). It will be calculated automatically.							
Please attach a recertified Time and Effort Report(s) if applicable.							
Transfer FROM (Credit/Original)				Transfer TO (Debit/Should be)			
Research Account	Begin Date (00/00/00)	End Date (00/00/00)	Salary Amount	Research Account	Begin Date (00/00/00)	End Date (00/00/00)	Salary Amount

NON-SALARY COST TRANSFER - SECTION 2					
Please attach additional documents as needed to support the expense(s).					
Research Account	Account Code	\$ Amount of Transfer FROM (Credit/Original)	\$ Amount of Transfer TO (Debit/Should be)	Original Transaction Date	Description of Expenses (Vendor, Item, PO#)

JUSTIFICATION - SECTION 3
Please attached additional documents as needed to justify the cost transfer(s).
1. Why was the expense originally charged to the research account from which it is now being transferred?
2. Why should the expense be transferred to the proposed research account? (Is the expense allowable, allocable and reasonable to the research project?)
Only complete questions 3 and 4 if cost transfer is over 90 days:
3. Why is this cost transfer being requested more than 90 days from the original transaction date in ART TOOL?
4. What action is needed to eliminate future need for cost transfers of this type? Is this action being taken?

SIGNATURES - SECTION 4	
I certify that the above cost transfer is an appropriate expenditure for the sponsored project charged and that the expenditure complies with the terms and restrictions governing that sponsored project.	
PI or Designee (Print): _____	
PI or Designee Signature: _____	Date: _____
Grants & Contracts Approval/Signature: _____	Date: _____
VP of Research Approval/Signature: _____	Date: _____
Corporate Accounting Review/Signature: _____	Date: _____

Please send completed form to Grants & Contracts - Research Institute ERD 2nd Floor